



Montana Environmental Trust Group LLC,  
Trustee of the Montana Environmental Custodial Trust  
By Greenfield Environmental Trust Group, Inc., Member  
P.O. Box 1189 Helena, Montana 59624  
Telephone: (406)457-2142  
Email: [jr@g-etg.com](mailto:jr@g-etg.com)

November 11, 2019

**By Electronic Mail**

Betsy Burns, US EPA Region 8  
Jenny Chambers, Montana Department of Environmental Quality  
Max Greenblum, US EPA Region 8  
Katherine Hausrath, Montana Department of Justice  
Amy Horner Hanley, Department of the Interior  
Harley Harris, Montana Department of Justice  
Greg Mullen, Montana Department of Justice  
Alan Tenenbaum, US Department of Justice  
Joe Vranka, US EPA Region 8—Montana Office  
James Opp, USDA Forest Service

**Subject: Custodial Trust Third Quarter 2019 Financial Statements**

As Trustee for the Montana Environmental Custodial Trust (the Custodial Trust), Montana Environmental Trust Group LLC, hereby submits the attached financial statements for the following Custodial Trust Accounts to the beneficiaries of the Custodial Trust:

- (1) The Custodial Trust Administrative Account;
- (2) The East Helena Cleanup Account;
- (3) The Mike Horse/Upper Blackfoot Mining Complex Cleanup Account;
- (4) The Black Pine Cleanup Account; and
- (5) The Iron Mountain Cleanup Account

The attached financial statements cover the quarter and nine month period ending September 30, 2019 and are submitted pursuant to the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites).

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November 11, 2019

Third Quarter 2019 Financial Statements

Please do not hesitate to contact me or Cindy Brooks with any questions pertaining to the attached.

Sincerely,

A handwritten signature in blue ink that reads "Jen Roberts, CPA". The signature is written in a cursive, flowing style.

Montana Environmental Trust Group, LLC

Trustee of the Montana Environmental Custodial Trust

By: Greenfield Environmental Trust Group, Inc., Member

By: Jennifer Roberts, Director of Financial Affairs

#### Attachments

cc: Thad Adkins—MDEQ  
Cynthia Brooks—Custodial Trust  
Daryl Reed—MDEQ  
Denise Martin—MDEQ  
Joel Chavez—MDEQ  
Lauri Gorton— Custodial Trust  
Molly Roby— Custodial Trust  
Robert Roll—MDEQ  
Jessica Wilkerson—MDEQ



Wipfli LLP  
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Helena, MT 59624  
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Helena, MT 59601  
406.442.5520  
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## Accountant's Compilation Report

To the Trustees and Beneficiaries  
Montana Environmental Trust Group LLC  
Trustee for the Montana Environmental Custodial Trust  
Helena, MT

The Trustees are responsible for the accompanying special purpose financial statements of; the Custodial Trust Administrative Account, the East Helena Cleanup Account, the Mike Horse/Upper Blackfoot Complex Cleanup Account, the Black Pine Cleanup Account and the Iron Mountain Cleanup Account (collectively the Custodial Trust), which comprise the statement of financial position as of September 30, 2019 and the related statements of activities for the quarter and nine month period then ending and for determining that the special purpose basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the trustees. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the special purpose basis of accounting in accordance with the requirements of the Trust's obligations under ¶6.1 of the Environmental Response Trust Agreement, which is a basis of accounting other than accounting principles generally accepted in the United States.

Management has elected to omit substantially all the disclosures ordinarily included in special purpose financial statements prepared in accordance with the prescribed format basis of accounting. If the omitted disclosures were included in the special purpose financial statements, they might influence the user's conclusions about the Trust's assets, liabilities, net assets, additions, and deductions. Accordingly, the special purpose financial statements are not designed for those who are not informed about such matters.

### Supplementary Information

The Black Pine Mine Custodial Trust Expense Tracking supplementary information is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. This information is the representation of the trustees. The information was subject to our compilation engagements; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Montana Environmental Trust Group LLC.

*Wipfli LLP*

Wipfli LLP  
November 11, 2019  
Helena, MT

**Montana Environmental Custodial Trust**  
**Custodial Trust Administrative Account**

STATEMENT OF FINANCIAL POSITION

*As of September 30, 2019*

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ASSETS

Current assets

Cash

\$ 147,146.88

Due from other cost centers

4,226.94

Total current assets

151,373.82

Investments

5,177,578.21

Total assets

\$ 5,328,952.03

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable

\$ 27,768.45

Net assets

5,301,183.58

Total net assets and liabilities

\$ 5,328,952.03

**Montana Environmental Custodial Trust**  
**Custodial Trust Administrative Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Investment income, net of fees	\$ 27,358.38	\$ 78,528.97			
Unrealized gains (losses)	556.58	63,016.88			
Total revenues (losses)	27,914.96	141,545.85			
Expenses:					
1.A Financial Affairs					
1.A.1 Outside Financial Services	10,872.21	25,376.55	\$ 33,000.00	\$ (7,623.45)	76.90%
1.A Financial Affairs Total	10,872.21	25,376.55	33,000.00	(7,623.45)	76.90%
1.C Property Taxes					
1.C.1 East Helena	(472.25)	16,718.65	89,500.00	(72,781.35)	18.68%
1.C.2 UBMC-Mike Horse	-	2,198.43	5,400.00	(3,201.57)	40.71%
1.C.3 Black Pine	-	1,204.93	4,200.00	(2,995.07)	28.69%
1.C.4 Iron Mountain	-	160.25	400.00	(239.75)	40.06%
1.C Property Taxes Total	(472.25)	20,282.26	99,500.00	(79,217.74)	20.38%
1.F Site Security					
1.F.1 East Helena	5,670.00	18,788.00	33,450.00	(14,662.00)	56.17%
1.F.2 UBMC-Mike Horse	842.50	1,007.87	9,400.00	(8,392.13)	10.72%
1.F.3 Black Pine	2,366.54	12,714.00	20,100.00	(7,386.00)	63.25%
1.F.4 Iron Mountain	-	-	1,400.00	(1,400.00)	0.00%
1.F Site Security Total	8,879.04	32,509.87	64,350.00	(31,840.13)	50.52%
1.G Insurance					
1.G.1 Commercial General Liability	-	46,237.50	54,000.00	(7,762.50)	85.63%
1.G.2 Vehicle-Equipment Insurance	7,604.00	7,604.00	9,000.00	(1,396.00)	84.49%
1.G.3 Property Insurance	-	14,928.60	18,000.00	(3,071.40)	82.94%
1.G Insurance Total	7,604.00	68,770.10	81,000.00	(12,229.90)	84.90%

**Montana Environmental Custodial Trust**  
**Custodial Trust Administrative Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
1.H Trust Legal Affairs					
1.H.1 Outside Council	307.78	427.78	3,500.00	(3,072.22)	12.22%
1.H.3 GETG Professional Fees	2,185.00	18,034.00	21,500.00	(3,466.00)	83.88%
1.H.4 Water Rights	3,739.52	7,043.52	21,800.00	(14,756.48)	32.31%
1.H Trust Legal Affairs Total	6,232.30	25,505.30	46,800.00	(21,294.70)	54.50%
1.I Unpatented Mining Claims					
1.I.1 Fees for Unpatented Mining Claims	52,165.00	52,497.50	55,000.00	(2,502.50)	95.45%
1.K Property Sales					
1.K.1 East Helena	1,163.00	8,152.00	99,600.00	(91,448.00)	8.18%
1.K.2 UBMC-Mike Horse	-	-	1,700.00	(1,700.00)	0.00%
1.K.4 Iron Mountain	-	-	1,700.00	(1,700.00)	0.00%
1.K Property Sales Total	1,163.00	8,152.00	103,000.00	(94,848.00)	7.91%
1.L Trustee Costs					
1.L.1 Trustee Fees	1,857.75	13,573.25	26,700.00	(13,126.75)	50.84%
1.L.2 Trustee Expenses	50.00	50.00	1,500.00	(1,450.00)	3.33%
1.L Trustee Costs Total	1,907.75	13,623.25	28,200.00	(14,576.75)	48.31%
Total expenses	88,351.05	246,716.83	510,850.00	\$ (264,133.17)	48.30%
Change in net assets	(60,436.09)	(105,170.98)	\$ (510,850.00)		
Net assets, beginning of period	5,361,619.67	5,406,354.56			
Net assets, end of period	\$ 5,301,183.58	\$ 5,301,183.58			

(1) Beginning net assets restated by \$24,695.17 for 2018 invoice related to Water Rights, received after distribution of 2018 financial statements.

**Montana Environmental Custodial Trust**

**East Helena Clean-up Account**

STATEMENT OF FINANCIAL POSITION

*As of September 30, 2019*

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ASSETS

Current assets

Cash

\$ 425,183.20

Accounts receivable

-

Total current assets

425,183.20

Investments

53,372,335.88

Total assets

\$ 53,797,519.08

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable

\$ 139,106.61

Due to other cost centers

-

Total current liabilities

139,106.61

Net assets

53,658,412.47

Total net assets and liabilities

\$ 53,797,519.08

**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Income					
Agricultural Tenants	\$ -	\$ -			
Slag Pile	-	55,950.00			
Income Total	-	55,950.00			
Investment activity, net of fees	360,143.86	818,349.02			
Unrealized gains (losses)	(60,170.70)	1,702,721.89			
Total revenues (losses)	299,973.16	2,577,020.91			
Expenses:					
2.B · General Site Operations					
2.B.1 · Operations & Maintenance	3,041.31	16,246.59	\$ 38,700.00	\$ (22,453.41)	41.98%
2.B.2 · Office Operations	234.00	234.00	4,000.00	(3,766.00)	5.85%
2.B.3 · Safety	6,733.74	7,694.74	14,100.00	(6,405.26)	54.57%
2.B.6 · Emergency Response	-	-	20,000.00	(20,000.00)	0.00%
2.B.7 · Site Office	1,572.50	6,232.85	9,500.00	(3,267.15)	65.61%
Total 2.B · General Site Operations	11,581.55	30,408.18	86,300.00	(55,891.82)	35.24%
2.F · RCRA Compliance					
2.F.1 · Reporting	-	-	2,000.00	(2,000.00)	0.00%
2.F.2 · Inspections	-	-	2,000.00	(2,000.00)	0.00%
2.F.5 · CAMU O&M/Leachate Collection and Disposal	10,387.50	12,037.50	490,900.00	(478,862.50)	2.45%
Total 2.F · RCRA Compliance	10,387.50	12,037.50	494,900.00	(482,862.50)	2.43%



**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
2.J · RCRA Corrective Action Implementation					
2.J.1 · South Plant Hydraulic Control IM					
2.J.1a · SPHC IM Design	-	-	289,000.00	(289,000.00)	0.00%
2.J.1 · SPHC IM Design & Construction	-	-	289,000.00	(289,000.00)	0.00%
2.J.4 · IM/RCRA Support					
2.J.4b · Corrective Measures Study	-	-	20,000.00	(20,000.00)	0.00%
2.J.4 · IM/RCRA Support	-	-	20,000.00	(20,000.00)	0.00%
2.J.6 · Corrective Measure Implementation					
2.J.6a · CMI Work Plan	-	-	150,000.00	(150,000.00)	0.00%
2.J.6b · Final Remedy Construction/Implementation	-	-	220,000.00	(220,000.00)	0.00%
2.J.6c · Corrective Measures O&M	40,032.71	158,216.07	896,600.00	(738,383.93)	17.65%
2.J.6d · 2017 CAMP/Performance Monitoring	14,330.43	56,226.35	425,000.00	(368,773.65)	13.23%
2.J.6e · Long term Technical Planning/Support	-	-	50,000.00	(50,000.00)	0.00%
2.J.6f · Residential Well Abandonment	-	-	176,000.00	(176,000.00)	0.00%
2.J.6g · East Helena Water Quality Projects	16,649.25	20,104.50	1,466,995.00	(1,446,890.50)	1.37%
2.J.6h · CMS Parcel 2 Remediation	-	-	529,000.00	(529,000.00)	0.00%
2.J.6 · Design Management/Execution	71,012.39	234,546.92	3,913,595.00	(3,679,048.08)	5.99%
2.J.7 · Long-term Stewardship and O&M					
2.J.7a · Greenway Project	-	-	-	-	0.00%
2.J.7 · Long-term Stewardship and O&M	-	-	-	-	0.00%
Total 2.J · RCRA Corrective Action Implementation	71,012.39	234,546.92	4,222,595.00	(3,988,048.08)	5.55%
2.K · Documents & Records					
2.K.2 · System Maintenance	1,490.22	8,033.09	18,000.00	(9,966.91)	44.63%
Total 2.K · Documents & Records	1,490.22	8,033.09	18,000.00	(9,966.91)	44.63%
2.M · CERCLA Compliance					
2.M.1 · CERCLA/ROD Compliance	1,546.87	4,640.61	34,400.00	(29,759.39)	13.49%
2.M.2 · Soils Remediations - Dartman Field	2,943.50	393,111.92	510,436.00	(117,324.08)	77.01%
Total 2.M · CERCLA Compliance	4,490.37	397,752.53	544,836.00	(147,083.47)	73.00%
2.N · Financial Affairs					
2.N.1 · Financial Affairs-CPA	5,956.50	18,026.33	30,000.00	(11,973.67)	60.09%
Total 2.N · Financial Affairs	5,956.50	18,026.33	30,000.00	(11,973.67)	60.09%

**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
2.O · Redevelopment					
2.O.2 · Redevelopment Support	-	-	10,000.00	(10,000.00)	0.00%
2.O.3 · Redevelopment Issues	-	-	5,000.00	(5,000.00)	0.00%
Total 2.O · Redevelopment	-	-	15,000.00	(15,000.00)	0.00%
2.P · Community Relations					
2.P.1 · General Meetings	-	-	3,000.00	(3,000.00)	0.00%
2.P.2 · RCRA Annual Public Meeting	-	-	3,000.00	(3,000.00)	0.00%
2.P.3 · East Helena Website	-	350.00	7,500.00	(7,150.00)	4.67%
2.P.5 · Other Community Relations	4,650.00	9,150.00	41,000.00	(31,850.00)	22.32%
Total 2.P · Community Relations	4,650.00	9,500.00	54,500.00	(45,000.00)	17.43%
2.R · Legal Support					
2.R.1 · Outside Counsel Fees & Expenses	-	513.00	15,000.00	(14,487.00)	3.42%
2.R.2 · In-House Legal Services	6,673.00	19,218.50	41,200.00	(21,981.50)	46.65%
Total 2.R · Legal Support Total	6,673.00	19,731.50	56,200.00	(36,468.50)	35.11%
2.T · Trustee Management & Support					
2.T.4 · GW and PPC Project Management	11,214.50	24,410.11	56,000.00	(31,589.89)	43.59%
2.T.6 · Compliance Manager	-	13,430.00	13,700.00	(270.00)	98.03%
2.T.8 · Operations Support Specialist	7,082.50	15,277.50	14,300.00	977.50	106.84%
2.T.9 · Project Controls/Fin Affairs Coordinator	8,695.00	22,792.50	94,100.00	(71,307.50)	24.22%
2.T.11 · Trustee Mgmt. EH Clean Up	29,368.00	91,862.00	141,600.00	(49,738.00)	64.87%
2.T.12 · Trustee Land Use & Re-use	-	-	37,500.00	(37,500.00)	0.00%
2.T.13 · Trustee Travel and Directs	-	-	12,000.00	(12,000.00)	0.00%
2.T.14 · Project Management/LT Stewardship Oversight	7,541.50	35,240.00	76,400.00	(41,160.00)	46.13%
Total 2.T · Trustee Management & Support Total	63,901.50	203,012.11	445,600.00	(242,587.89)	45.56%
Total East Helena expenses	180,143.03	933,048.16	\$ 5,967,931.00	\$ (5,034,882.84)	15.63%
Change in net assets	119,830.13	1,643,972.75			
Net assets, beginning of period	53,538,582.34	52,014,439.72			
Net assets, end of period	<u>\$ 53,658,412.47</u>	<u>\$ 53,658,412.47</u>			

See Accountant's Compilation Report

**Montana Environmental Custodial Trust**  
**Summary East Helena Clean-up Account**

SUMMARY STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Rental/Lease Income	\$ -	\$ 55,950.00			
Investment activity, net of fees	360,143.86	818,349.02			
Unrealized gains (losses)	(60,170.70)	1,702,721.89			
Total revenues (losses)	299,973.16	2,577,020.91			
Expenses:					
2.B · General Site Operations	11,581.55	30,408.18	86,300.00	(55,891.82)	35.24%
2.F · RCRA Compliance	10,387.50	12,037.50	494,900.00	(482,862.50)	2.43%
2.J · RCRA Corrective Action Implementation	71,012.39	234,546.92	4,222,595.00	(3,988,048.08)	5.55%
2.K · Documents & Records	1,490.22	8,033.09	18,000.00	(9,966.91)	44.63%
2.M · CERCLA Compliance	4,490.37	397,752.53	544,836.00	(147,083.47)	73.00%
2.N · Financial Affairs	5,956.50	18,026.33	30,000.00	(11,973.67)	60.09%
2.O · Redevelopment	-	-	15,000.00	(15,000.00)	0.00%
2.P · Community Relations	4,650.00	9,500.00	54,500.00	(45,000.00)	17.43%
2.R · Legal Support	6,673.00	19,731.50	56,200.00	(36,468.50)	35.11%
2.T · Trustee Management & Staff	63,901.50	203,012.11	445,600.00	(242,587.89)	45.56%
Total East Helena expenses	180,143.03	933,048.16	\$ 5,967,931.00	\$ (5,034,882.84)	15.63%
Change in net assets	119,830.13	1,643,972.75			
Net assets, beginning of period	53,538,582.34	52,014,439.72			
Net assets, end of period	\$ 53,658,412.47	\$ 53,658,412.47			

**Montana Environmental Custodial Trust**  
**Mike Horse/UBMC Clean-up Account**

STATEMENT OF FINANCIAL POSITION

*As of September 30, 2019*

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ASSETS

Current assets

Cash	\$ 93,221.61
Prepaid expenses - DEQ	29,714.26
Total current assets	<u>122,935.87</u>

Investments

Total assets	<u>3,081,917.12</u> <u><u>\$ 3,204,852.99</u></u>
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LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 40,786.65
Due to other cost centers	3,911.34
Total current liabilities	<u>44,697.99</u>

Net assets

Total net assets and liabilities	<u>3,160,155.00</u> <u><u>\$ 3,204,852.99</u></u>
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**Montana Environmental Custodial Trust  
Mike Horse/UBMC Clean-up Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest income - DEQ	\$ 116.56	\$ 706.42			
Investment income, net of fees	14,551.67	44,754.01			
Unrealized gains (losses)	2,622.62	42,578.32			
Sale of Assets	-	700.00			
Total revenues (losses)	17,290.85	88,738.75			
Expenses:					
4.1 MT DEQ Expenses					
4.A Personnel (MT DEQ)	4,862.20	19,201.99	\$ 29,558.00	\$ (10,356.01)	64.96%
4.DEQ Direct & Indirect Expenses	1,166.64	4,941.94	8,836.00	(3,894.06)	55.93%
4.1 Total MT DEQ Expenses	6,028.84	24,143.93	38,394.00	(14,250.07)	62.88%
4.2 Other Expenses					
4.B Material, Supplies & Chemicals					
1-62244 Chemicals	18,362.88	64,652.58	141,550.00	(76,897.42)	45.67%
WTP Supplies	14,711.14	43,568.14	56,900.00	(13,331.86)	76.57%
4.B Material, Supplies & Chemicals	33,074.02	108,220.72	198,450.00	(90,229.28)	54.53%
4.C Operating Labor					
1-62102-01 WTS/Trust Management and Oversight	15,379.15	44,164.56	100,995.00	(56,830.44)	43.73%
1-62102-02 GETG Trustee Oversight	18,423.00	36,976.00	71,900.00	(34,924.00)	51.43%
1-62102-22 WTP Technician/Operator	49,910.88	159,770.51	220,950.00	(61,179.49)	72.31%
4.C Operating Labor	83,713.03	240,911.07	393,845.00	(152,933.93)	61.17%
4.D Other Professional Services/Labor (Routine)					
1-62102-31 PLC & Instrumentation Service (MET)	2,630.30	6,118.80	28,250.00	(22,131.20)	21.66%
1-62891 Handyman Charges	-	1,376.90	7,500.00	(6,123.10)	18.36%
1-62102-51 Accounting Services (Wipfli)	1,287.01	2,862.70	5,000.00	(2,137.30)	57.25%
1-62243 Weed Control	1,200.00	1,200.00	1,200.00	-	100.00%
4.D Other Professional Services/Labor	5,117.31	11,558.40	41,950.00	(30,391.60)	27.55%
4.E WTP Operations - Analytical (Routine)					
1-62106-01 Energy Lab Testing (O&M Samples)	4,171.50	11,020.00	14,300.00	(3,280.00)	77.06%
1-62106-02 Linda Tangen Data Validation (O&M)	1,051.44	2,570.96	4,550.00	(1,979.04)	56.50%
4.E WTP Operations - Analytical	5,222.94	13,590.96	18,850.00	(5,259.04)	72.10%

**Montana Environmental Custodial Trust**  
**Mike Horse/UBMC Clean-up Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
4.F WTP Operations - Utilities (Routine)					
1-62186 Waste Disposal	4,600.08	7,985.52	20,400.00	(12,414.48)	39.14%
1-62371 Telephone	842.03	2,725.54	6,200.00	(3,474.46)	43.96%
1-62601 Electricity	10,253.52	29,025.23	62,200.00	(33,174.77)	46.66%
1-62605 Water & Sewage	-	240.00	2,500.00	(2,260.00)	9.60%
1-62606 Garbage & Trash	295.30	875.90	1,800.00	(924.10)	48.66%
1-62607 Propane	18,000.00	18,000.00	21,200.00	(3,200.00)	84.91%
4.F WTP Operations - Utilities	33,990.93	58,852.19	114,300.00	(55,447.81)	51.49%
4.H Projects & Construction					
1-62102-01 · Unforeseen Breakdowns and Repair Response Funds	-	-	5,000.00	(5,000.00)	0.00%
1-62102-204 Health & Safety Compliance	-	-	-	-	0.00%
1-63113-03 Spare Parts	10,982.00	11,483.22	15,000.00	(3,516.78)	76.55%
1-63113-20 Finalize O&M Manual	-	-	-	-	0.00%
1-62102-233 · Building Repairs (Corrosion Damage)	-	-	4,500.00	(4,500.00)	0.00%
1-63113-48 - Fabricate & install sheet metal enclosures on Cell 7 exposed	-	-	-	-	0.00%
1-63113-50 - Install wildlife fence around perimeter of Cell 7	-	-	4,500.00	(4,500.00)	0.00%
1-63113-53 - Reconfigure 300' vault piping for conveyance line cleaning with "pigs" & install 3" flow meter on redundant line and contractor for conveyance line pigging	-	-	-	-	0.00%
1-63113-58 - Purchase and install cartridge filters	-	-	-	-	0.00%
1-63113-67 - WTP Focused Feasibility Study	339.00	16,163.47	16,200.00	(36.53)	99.77%
1-63113-68 - WTP Short-term Treatment Options Evaluation	1,379.00	15,353.51	17,100.00	(1,746.49)	89.79%
1-63113-69 - Long-Term WTP Modification	-	-	-	-	0.00%
1-63113-70 - USFS Land Swap Evaluation	3,305.00	5,751.75	21,900.00	(16,148.25)	26.26%
1-63113-71 - Water Management/Source Control Evaluation and Testing	-	-	-	-	0.00%
4.H Projects & Construction	16,005.00	48,751.95	84,200.00	(35,448.05)	57.90%
4.2 Total Other Expenses	177,123.23	481,885.29	851,595.00	(369,709.71)	56.59%
Total expenses	183,152.07	506,029.22	889,989.00	(383,959.78)	56.86%
Change in net assets	(165,861.22)	(417,290.47)	\$ (889,989.00)	\$ 383,959.78	46.89%
Net assets, beginning of period	3,326,016.22	3,577,445.47	(1)		
Net assets, end of period	\$ 3,160,155.00	\$ 3,160,155.00			

(1) Beginning net assets restated by \$2,615.40 for Building Repair credit invoices for 2018 costs, received after distribution of 2018 financial statements.

# Montana Environmental Custodial Trust

## Black Pine Clean-up Account

### STATEMENT OF FINANCIAL POSITION

*As of September 30, 2019*

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#### ASSETS

##### Current assets

Cash	\$ 9,405.48
Prepaid expenses - DEQ	123,892.80
Total current assets	<u>133,298.28</u>

##### Investments

Total assets	<u>11,010,427.46</u> <u>\$ 11,143,725.74</u>
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#### LIABILITIES AND NET ASSETS

##### Liabilities

Accounts payable	\$ 2,434.89
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##### Net assets

Total net assets and liabilities	<u>11,141,290.85</u> <u>\$ 11,143,725.74</u>
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**Montana Environmental Custodial Trust**  
**Black Pine Clean-up Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest Income - DEQ	\$ 585.88	\$ 1,685.41			
Interest Income - MM	-	374.00			
Investment income, net of fees	54,029.68	153,619.62			
Unrealized gains (losses)	3,458.22	136,503.81			
Total revenues (losses)	58,073.78	292,182.84			
Expenses:					
5.1 Costs Paid Directly by Trustee from Clean-up Account					
2-2-02 Trustee Services/Expenses-GETG	1,393.00	4,101.00	\$ 35,000.00	\$ (30,899.00)	11.72%
2-2-03 Mine Maintenance/Security	1,953.00	10,416.00	18,618.60	(8,202.60)	55.94%
2-2-04 Generator Maintenance	-	1,180.66	2,000.00	(819.34)	59.03%
2-2-51 Accounting Services	1,379.64	2,568.81	5,000.00	(2,431.19)	51.38%
2-62401 Mileage	413.54	1,435.50	2,266.65	(831.15)	63.33%
2-62405 Snowmobile	-	862.50	907.50	(45.00)	95.04%
5.1.1 Utilities					
2-62601 Electricity	1,725.17	5,304.39	6,500.00	(1,195.61)	81.61%
2-62607 Propane	-	-	2,840.00	(2,840.00)	0.00%
5.1.1 Utilities Total	1,725.17	5,304.39	9,340.00	(4,035.61)	56.79%
5.1 Trustee Costs Total	6,864.35	25,868.86	73,132.75	(47,263.89)	35.37%
5.2 DEQ Costs	53,422.49	415,106.41 <sup>(1)</sup>	568,659.62 <sup>(2)</sup>	(153,553.21)	73.00%
Total expenses	60,286.84	440,975.27	641,792.37	(200,817.10)	68.71%
Change in net assets	(2,213.06)	(148,792.43)	\$ (641,792.37)	\$ 200,817.10	23.18%
Net assets, beginning of period	11,143,503.91	11,290,083.28			
Net assets, end of period	\$ 11,141,290.85	\$ 11,141,290.85			

(1) See the supplemental schedule provided by the Montana Department of Environmental Quality for details of 5.2 DEQ Costs

(2) Original 2019 budget is \$297,659.62. A 2019 budget amendment is pending MDEQ approval.



Black Pine Mine Custodial Trust Expense Tracking

		Personnel	Fringe	Travel	Equipment	Supplies	Consultants	Construction	Other	Total Direct	Indirect	Totals
Budget Request 2019		\$ 38,873.00	\$ 15,549.00	\$ 8,594.00	\$ -	\$ -	\$ 187,282.62	\$ 291,500.00	\$ 5,925.00	\$ 547,723.62	\$ 20,936.00	\$ 568,659.62
Additional Funding Received												
	Jan-Mar 2019	\$ 5,909.26	\$ 1,951.68	\$ 24.00		\$ 4,775.00	\$ 24,531.30	\$ 220,829.17	\$ 1.56	\$ 258,021.97	\$ 14,394.49	\$ 272,416.46
	Apr-Jun 2019	\$ 6,906.38	\$ 2,553.72	\$ 392.41		\$ 647.96	\$ 72,383.33			\$ 82,883.80	\$ 6,383.69	\$ 89,267.49
	July-Sep 2019	\$ 8,260.27	\$ 2,661.83	\$ 77.50		\$ 66.18	\$ 38,958.59			\$ 50,024.37	\$ 3,398.12	\$ 53,422.49
	Oct-Dec 2019											
Expenses 2019		\$ 21,075.91	\$ 7,167.23	\$ 493.91	\$ -	\$ 5,489.14	\$ 135,873.22	\$ 220,829.17	\$ 1.56	\$ 390,930.14	\$ 24,176.30	\$ 415,106.44
2019 Budget request balance remaining		\$ 17,797.09	\$ 8,381.77	\$ 8,100.09	\$ -	\$ (5,489.14)	\$ 51,409.40	\$ 70,670.83	\$ 5,923.44	\$ 156,793.48	\$ (3,240.30)	\$ 153,553.18

**Montana Environmental Custodial Trust**

**Iron Mountain Clean-up Account**

STATEMENT OF FINANCIAL POSITION

*As of September 30, 2019*

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ASSETS

Current assets

Cash

\$ 1,140.34

Investments

271,408.88

Total assets

\$ 272,549.22

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable

\$ -

Net assets

272,549.22

Total net assets and liabilities

\$ 272,549.22

**Montana Environmental Custodial Trust**  
**Iron Mountain Clean-up Account**

STATEMENTS OF ACTIVITIES

*For the quarter and nine-month period ending September 30, 2019*

	3rd Qtr	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest Income - DEQ	\$ -	\$ -			
Investment income, net of fees	1,381.09	4,359.41			
Unrealized gains (losses)	-	-			
Total revenues (losses)	<u>1,381.09</u>	<u>4,359.41</u>			
Expenses:					
VI.A Clean-up Activities					
VI.A.1 GETG Trustee Fees	-	-	\$ 3,800.00	\$ (3,800.00)	0.00%
VI.A.2 GETG/Trustee Expenses	-	-	250.00	(250.00)	0.00%
VI.A Total Clean-up Activities	<u>-</u>	<u>-</u>	<u>4,050.00</u>	<u>(4,050.00)</u>	<u>0.00%</u>
VI.C Legal Affairs					
VI.C.1 Outside Counsel	-	-	1,000.00	(1,000.00)	0.00%
VI.C Total Legal Affairs	<u>-</u>	<u>-</u>	<u>1,000.00</u>	<u>(1,000.00)</u>	<u>0.00%</u>
VI.D Financial Affairs					
VI.D.1 Wipfli Fees & Expenses	-	-	500.00	(500.00)	0.00%
VI.D Total Financial Affairs	<u>-</u>	<u>-</u>	<u>500.00</u>	<u>(500.00)</u>	<u>0.00%</u>
VI.E MDEQ Environmental Actions and Oversight Costs					
VI.E.1 MDEQ Environmental Actions and Oversight Costs	-	-	-	-	0.00%
VI.E Total MDEQ Environmental Actions and Oversight Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
Total expenses	<u>-</u>	<u>-</u>	<u>5,550.00</u>	<u>(5,550.00)</u>	<u>0.00%</u>
Change in net assets	<u>1,381.09</u>	<u>4,359.41</u>	<u>\$ (5,550.00)</u>	<u>\$ 5,550.00</u>	<u>-78.55%</u>
Net assets, beginning of period	271,168.13	268,189.81			
Net assets, end of period	<u>\$ 272,549.22</u>	<u>\$ 272,549.22</u>			